

HED Property
Owners
Association
Directors

★★★

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*Tronson Investment
Group*

Bob Victor
Vice President
*VanOwen Realty
Corporation*

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*Hollywood
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Museums*

Monica Yamada
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CM Group LLC

Rick Beltz
AM - S Management

Chris Bonbright
*Whitley Court
Partners*

Lynda Bybee
MTA

Donelle Dadigan
Max Factor Bldg

Joel Fisher
The Avalon

William Hertz
Mann Theatres

Nathan Korman
1723 Wilcox

Jose Malagon
*Hollywood Media
Center*

Jeff Rouze
*Historic Hollywood
Hillview LLC*

Ron Radachy
*Oasis
of Hollywood*

Alan Sieroty
Sieroty Company

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Kerry Morrison
Executive Director



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July 27, 2005

TO: Holly Wolcott
Office of the City Clerk

FROM: Kerry Morrison
Executive Director
Hollywood Entertainment District POA

SUBJECT: Second Quarter
April 1, 2005 through June 30, 2005

As is required in our Agreement with the City of Los Angeles, I am submitting our Second Quarter Report to summarize key activities of the Hollywood Entertainment District. In addition, the June 30, 2005 financial statement is attached to this memo.

I. Operational Issues

- The Association's assessment data base vendor erred in calculating 2004-05 assessments levied on the nonprofit property owners in the BID. Nonprofit property owners were provided a credit on their building assessment, as outlined in the Management District Plan, (up to \$1,000) twice. Therefore, in the coming tax year (2005-06) the nonprofit property owners will not receive a credit on their building assessment in order to rectify the situation. One property owner (the Max Factor building) will receive a refund, as this owner paid their tax bill in full last December.
- An All Property Owners Meeting was held at Cinespace on April 26, 2005.
- The annual Financial Review was completed in May and was included in a mailing of the 2004 Annual Report to the property owners in early May.
- The Board voted at the May 19, 2005 meeting to add the Executive Director to the check signing policy for Association checks.
- At the May 19, 2005 meeting the Board voted to raise the assessment roll for the coming 2005-06 assessment year by three percent.
- President John Tronson appointed a Nominating Committee in June. The

Committee consists of two board members – Bob Victor and Chris Bonbright – and one at-large property representative, Karen Starr.

II Security

- Representatives of the Hollywood Entertainment District, including John Tronson, president of the Board; Joel Fisher, chair of the Security Committee; Cliff Dow of Burke Security and Kerry Morrison, met with Chief Bratton for a breakfast meeting that was arranged between the LAPD and LA city business improvement districts. The meeting was held on April 11 at the Cathedral downtown.
- During this quarter, the fifth camera, at Hollywood and Sycamore, was installed.
- On May 18, 2005, representatives from Burke Security and Kerry Morrison met with executives from McDonald's to discuss public safety issues and steps that management can take to make the restaurant safer and more resistant to crime, transients and people who harass their customers. As a result of the meeting the following is planned: (1) McDonald's will write a letter to MTA requesting that the bus-stop be moved half a block eastward, (2) No trespassing signs will be installed on the outside ledges; (3) they will evaluate whether the soft drink machine can be moved back behind the counter, and (4) Burke Security will conduct a training session for their employees.
- The Security Committee continues to research options relative to regulating the proliferation of "street characters" who are, in some instances, preying upon tourists by asking for money and seeking photo opportunities in return for tips. A small delegation, consisting of the LAPD Senior Lead officer, the City Attorney neighborhood prosecutor, and the assistant general manager of Hollywood & Highland, along with Kerry Morrison, visited with the administrator of the street performance district at Santa Monica's Third Street Promenade on May 27, 2005.
- Kerry Morrison testified at a Police Commission meeting on May 10 relative to a proposal that would allow BIDs to hire uniformed off duty police officers for patrol or special events. Morrison testified that such a program would not likely replace the private security firms hired by various BIDs, but might be useful for addressing specific problems such as illegal vending or spikes in drug dealing.
- Kerry Morrison was awarded the LAPD Civilian Distinguished Service medal at a ceremony held in conjunction with the LA Police Commission on June 7, 2005.
- Kerry Morrison made a brief presentation about the progress made by the

HED at a West Hollywood Chamber of Commerce meeting on June 21, 2005.

III Streetscape Issues

- HEDPOA staff negotiated a agreement with the Bureau of Street Lighting, with assistance from Council District 13, relative to the final disposition of funds that will be distributed to HEDPOA out of the Hollywood Vine Assessment District account. The BSL reduced the retroactive fees they wanted to charge from \$64,085 to \$54,400 and eliminated the \$12,166 of prospective charges, resulting in a \$22,000 improvement which will benefit services to the property owners along the Walk of Fame. Staff summarized the contents of a letter to the city outlining the proposed expenditure plan for the \$126,000 remaining in the account, which will be allocated toward tree trimming over a four-year period.
- At the request of a bicycle shop, the HEDPOA board submitted a formal request to the city to install a bike rack in front of the business at 6731 Hollywood Boulevard.
- The Streetscape Committee voted to systematically remove the 90+ concrete planters that are located on the Walk of Fame. The planters prove difficult to maintain, as plants are constantly removed or vandalized. The first group of approximately 20 planters will be donated to the beautification project slated for the Hollywood Municipal Building, at the request of Hollywood Beautification Team.
- The HEDPOA asked the CRA for permission to remove the Star Tracker lights at Hollywood and Vine as a result of a special request that came from a location manager shooting a 1940's era film in front of the Pantages. The production company wanted to remove one Star Tracker for the purposes of the scene, but was willing to remove all four, if it could be done economically. The CRA Board signed off on this arrangement, but, in the end, the \$8,500 cost proved to be too much for the production budget.
- A "field trip" to visit the APT toilet at Lankershim and Chandler was conducted in April. The board authorized a letter to the city requesting an APT installed at the Cherokee city parking lot.
- Clean Street submitted a proposal to renew their contract for two years with no additional charges apart from a CPT inflator in the second year. The \$655,044 contract, which expired on March 31, was extended through March 31, 2007.

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- New irrigation pipe was installed in the tree wells for the Canary Island Date Palms. This was done at the suggestion of the BID's palm tree consultant, Dr. Henry Donselman. The existing irrigation piping had been overcome by root growth, and water inserted into the root balls was not reaching the tree.
- Three trees were planted to replace those that had died or were vandalized.
- The Fan Palms West project (involving the removal of Ficus Trees between Sycamore and Orange, and planting of Mexican Fan Palms) reached a snag when proposals received exceeded the project budget by more than \$100,000. (This project is paid for through a combination of CRA grant funds, HEDPOA funds and property owner contributions.) Staff will work with the potential contractors to see how expenses can be whittled down.

IV Marketing Issues

- The Annual Visitor's Guide and Map was completed in April and restaurant, theatre, business and retail co-sponsors paid \$74,400 toward this project. The HED Marketing budget picked up the \$6,000 balance.
- Radio ads began running on KCRW-FM that promote the Hollywood Entertainment District (zip code 90028) as a residential neighborhood – as part of the "Hollywood LIVE 24/7" campaign.
- The www.hollywoodbid.org website underwent a re-vamp during this quarter and was formally unveiled in April, 2005.
- Plans were underway to launch the "Hollywood LIVE 24/7" campaign in July, including the development of a video which shows "a weekend in the life" of someone who

V. OTHER

- At the behest of the Security Committee, Kerry Morrison drafted a letter to the Police Commission relative to the permit applications filed for two upcoming first amendment marches on September 17 and September 24. The HED asked that one march start at Vine and rally at Highland, and the second march start at Highland and then rally at Vine, in order to distribute the impact on the community.
- The Board asked staff to write a letter to city officials protesting the closing of Hollywood area streets for the LA Triathlon in 2006.

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- Kerry Morrison participated in a panelist in a session entitled, "Revitalizing Main Street" sponsored by the Milken Institute at the Skirball Center on April 28, 2005.
- The Board voted to oppose a proposed NFL kick-off event and concert tentatively scheduled for September 8 on Hollywood Boulevard. Board member Chris Bonbright and Kerry Morrison met with Councilmembers LaBonge and Garcetti, and representatives from the city's Sports & Entertainment Commission, Coliseum Commission and other city staff on June 22 to formally express the Board's reasons for not supporting the event. At present, the NFL event is scheduled to take place at the LA Coliseum.
- The HED participated in the resurrection of the CA BID Coalition, on account of two pieces of legislation that surfaced in Sacramento that would significantly impact the laws governing the formation/renewal of business improvement districts. One proposal, SB 351 (Soto) would require that in addition to the 50% plus one dollar weighted petition requirement required by current law, an additional petition threshold equivalent to 50% plus one of the gross number of property owners in a proposed district would have to be obtained. A second bill, AB 1335 (Vargas) would lower the petition threshold to 30% for a new BID, allow for the lifespan of a BID to approach 15 to 20 years, among other provisions. Both bills contradict each other and the Soto bill would essentially make it impossible to form or renew a BID in California. The goal of the CA BID coalition is to defeat the bills, or request that the become two-year bills, in order to work with the sponsors on a compromise. The HEDPOA allocated \$2000 toward the CA BID Coalition as the Coalition must hire a legislative advocate to assist in Sacramento.